

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2483 – SB 2507

February 1, 2010

SUMMARY OF BILL: Authorizes TRICOR to develop policies for the sale of TRICOR products to offenders in the custody of the Department of Correction (DOC).

ESTIMATED FISCAL IMPACT:

**Increase State Revenue – Net Impact - \$2,500/TRICOR/FY11-12
& Subsequent Years**

Assumptions:

- According to TRICOR, it will take a year to develop and implement the policies and procedures regarding the sale of specific items at the DOC commissary. The money will be drawn from each offender's trust fund similar to other transactions by the DOC and the money will be paid to TRICOR. No additional expenditures are anticipated for computer changes to handle this transaction.
- TRICOR estimates approximately 25 percent of DOC offenders (5,000) will purchase additional items totaling \$5.00 per year resulting in additional state revenue of \$25,000 (\$5 x 5,000).
- The cost to manufacture the items is estimated at \$4.50 per item resulting in state expenditures of \$22,500 (\$4.50 x 5,000 offenders).
- The net impact to state revenue will be \$2,500 (\$25,000 - \$22,500).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/lsc

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